

Rural Tourism Marketing

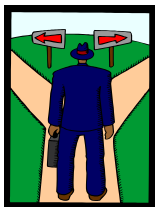
Chapter Seven -Trade Shows & the Travel Industry

The travel industry works in much the same manner as the retail business. That is, there are two levels of sale...wholesale and retail. However, unlike the corner store where *everything* has been purchased at wholesale before selling at retail, the travel industry operates just a bit differently.

Some of the travel industry product (hotel rooms, attraction tickets, and car rentals) is sold in blocks at wholesale to *tour operators and brokers* who then resell it to vacationers. In rural destinations especially, *most* of the travel product is probably sold directly to the consumer from the hotel or attraction itself. However, it is important that you understand the wholesale aspect of the business in order to make a decision about whether or not you want to enter it on behalf of your region or community.

The Road Less Traveled

We're all familiar with the famous Robert Frost poem "The Road Not Taken" in which he describes finding two roads which diverged in a wood, and deciding to take the road *less traveled* because, to paraphrase greatly, it looked more interesting.



Today, travel industry wholesalers are being pressured by clients (tourists) to find *roads less traveled*; to discover for them new and interesting places that are a bit off the beaten path. If that sounds like the path to your community, you just might want to explore the wholesale travel industry.

Tour Operators and Motorcoach Tours

When you see a bus full of happy travelers unloading at a hotel or attraction, you may have wondered how to bring them to your area. You need to know that the decision making process and negotiation involved in the group tour business is often a long one. Efforts may have begun more than a year in advance of the group's arrival.

Tour Operators usually make lodging decisions for groups of leisure travelers (vacationers). These are often seniors or international visitors who see California by motor coach, enjoying the freedom that comes with having others manage the logistics of travel. The tour operator has to be licensed by the Federal Interstate Commerce Commission and may either contract with a bus company to provide transportation or may operate their own busses. Their tours include transportation, lodging, baggage handling, tickets to attractions and many meals along the way.

Tour operators look for interesting places with convenient locations and good service. Overnight motorcoach stops fall into two categories. The first is the overnight stop *on the way to someplace else*, and the second is the stop at a major destination itself.

The first category is a great opportunity for your hotels to book business that they would not otherwise receive. Motorcoach tours are excellent ways to beef up mid-week business and business in slow seasons.

To catch busses on the way to a major destination, take a look at a map and see where you fall on major routes between San Francisco, Los Angeles, Las Vegas and perhaps Yosemite (all favored motorcoach vacation destinations). If you are not too far off a major highway, this business could be right for your community.

S a c r a m e n t o ' s g o l d m i n e p a c k a g e

Noel Irwin-Hentschel, President of AmericanTours International (the largest in-bound tour operator in the USA), tells the story of how working together with your neighbors brings business to communities that might otherwise be overlooked.

Invited to speak to the Sacramento Convention & Visitors Bureau, she challenged its members to find a way to work with neighboring regions to create an attractive package for tour operators. Says Hentschel, "a single destination by itself, like Sacramento, may have only limited ability to attract traffic. But packaged properly in partnership with surrounding areas – the Gold Country of Lassen, the vineyards of Napa and Sonoma, the ski resorts in Tahoe, fishing and camping in Shasta and Lake counties – all of a sudden you have a winning formula!"

"As a direct result of working with the Sacramento CVB and the business people who attended that conference, we launched a "Gold Mine" package which includes three nights in Sacramento and the surrounding areas, bringing business to several hotels and local attractions."

They plan to market this in 70 countries throughout the world!



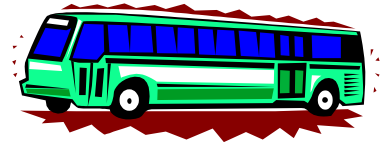
Tour operators want good service and will usually return to a hotel or motel that gives them what they need in terms of serving group meals, blocking groups of rooms for them, and offering discounts or all-inclusive rates (rooms, meals, taxes, tips and so on, for one price).

Before you get excited about the motorcoach business, make sure you have hotels that can handle it. They will need plenty of rooms with two double beds, a staff to load and unload baggage, bus parking and the ability to offer group meals on-site or at an adjacent restaurant.

You can reach motorcoach tour operators directly by sending representatives to motorcoach trade association meetings to promote group packages and rates, and by participating in motorcoach trade shows.

You will also want to identify any tour groups that come through your area now. (Be careful that you don't appear to be seeking to move groups from one local business to another...or you won't make many friends!) Working *with* local businesses who have already tapped this market, create strategies that might increase the stay in your area, or turn a quick stop into an over night visit.

Here are a few of the *advantages*, as well as some of the *disadvantages* of group business:



Advantages:

- An opportunity to fill rooms, although at a discounted rate.
- Offers predictability, as groups book in advance and at regular intervals.
- Provides greater opportunity for food and beverage sales, retail sales and attendance at special events.
- Encourages cooperation among local businesses.

Disadvantages:

- Tour groups may want discounted rates in the high season.
- When they cancel a tour at the last minute, and they inevitably will, they leave a big hole to fill.
- They require special handling and extra staff.

Helpful Hint: *The longest journey begins with a single step. Perhaps a quick rest stop at a roadside restaurant, produce stand or small attraction might precede an overnight stop in your area.*



Four Ways to Reach Motorcoach Operators

1. The American Bus Association (www.busses.org)

This is a membership organization, which hosts the annual American Bus Marketplace where bus operators and hotel/motel properties in their touring area have the opportunity to meet and negotiate. They also publish the ABA Motorcoach Marketer (its membership directory), which lists nearly 800 major bus operators and key sales contacts and Destinations, a monthly magazine spotlighting new destinations. At last report, dues were \$425 per year for associate members, plus show registration and expenses.

2. The National Tour Association (www.ntaonline.com)

Similar to ABA and more popular in California, NTA is also a membership organization and you must belong to participate in its popular NTA Annual Convention/Tour and Travel Exchange. This and the ABA marketplace are appointment-based shows in which *suppliers* (you and your hotels) move around the show to meet the operators at their booths. Recently reported dues were \$550 per year for destination marketing organizations plus a \$1,000 initiation fee *plus* annual show registration and costs.



3. The American Society of Travel Agents (ASTA) (www.astanet.org)

ASTA works closely with tour operators and brokers and publishes *Motorcoach Touring*, which provides an excellent overview of the industry to destination marketers.

4. Read the Travel Section

Look for ads for one or two-day bus tours to California destinations. Then find out who is coordinating and what criteria they use in determining which places to visit. Be persuasive when pitching your own area!

Trade and Consumer Shows

What is that old saying about “if you can’t bring Mohammed to the mountain, take the mountain to Mohammed”? Trade and travel shows are about taking the mountain on the road.

Travel trade shows, travel sales missions and consumer shows are all excellent ways of showing off your destination to potential travelers or travel retailers.

Industry Marketplaces

In addition to the motorcoach shows that we mentioned above, the Travel Industry Association of America (TIA) hold’s its annual International Pow-Wow for tour operators

bringing business from around the world. This is an expensive, but often-effective way of getting your destination in front of international travel buyers. All of these marketplaces require that you join the sponsoring organization.



Travel Agent Shows

Several organizations sponsor shows at which you purchase booth space and present your destination to travel agents invited to attend. Sometimes these shows are successful; sometimes poor attendee selection or low attendance makes for less than spectacular results. Choose these shows carefully and always talk to people from other destinations who have attended in prior years.

The American Association of Travel Agents (AATA), the Association of Canadian Travel Agents (ACTA) and several private organizations sponsor such shows. You'll want to bring lots of brochures and other materials to these shows, as agents gather them by the cartload.

Consumer Shows

Consumer shows, like travel agent shows, feature your destination in a decorated booth with customers wandering up and down the aisles gathering information. They can be quite successful, or a waste of time and money. Again, talk to other destinations that have attended in the past.

If you choose to attend these shows, do so in geographic areas with a strong propensity to visit your region. Attend shows with strong track records and reliable sponsors. Often, local newspapers sponsor excellent travel shows and booth space can be purchased at a discount if you are an advertiser in the paper. Occasionally, consumer shows will hold "private hours" for local travel agents either before (usually) or after the public hours. This can be an excellent and cost-effective combination.

Travel Sales Missions

Another way of "taking the show on the road" is through a *sales mission*. California Tourism or a major destination marketing organization such as a convention and visitors bureau may coordinate these events. They usually involve a delegation from the state or region making a series of international sales calls on a targeted city or country.



During such a trip, these “missionaries” descend upon an area to sell California to local tour operators, travel agents and the travel press. Individual appointments may also be scheduled by community or regional representatives, giving you the opportunity to target specifically those who sell your area (or who you wish would sell your area).

Selecting the Right Marketing Event

As in every other type of marketing activity, making the best investment for the dollars you have available in your marketing program is most important. The real benefit from trade or consumer shows comes from exposure to the most potential visitors.

Do the consumers or delegates attending the show represent or have the ability to generate *real* potential visitors for you? Is this show reaching your geographic and demographic target market? What type of visitor is represented – seniors, families, business executives? Can you accommodate their interests and needs?

If you plan to attract groups to your destination, you must be able to accommodate them with lodging and restaurant seats. For instance, most motorcoach tours insist that their groups be lodged in one facility, not split among two. Can you handle groups up to fifty? Is there adequate parking in your community for busses?

Can you lure a group of visitors to your area after they visit a nearby primary attraction? For example, could a motorcoach group already planning to visit a nearby historical site be convinced to stop in your community to visit an ice cream parlor, a local museum or maybe stay overnight? Put a suggested package together. Be prepared with specific information including

rack rates (published and commissionable rates) for travel agents and group rates for tour operators.

The Costs of Exhibiting

Typical exhibiting costs when you bring a trade show booth to an exhibit include at minimum your cost of personal transportation to the show, lodging, meals and snacks, exhibit equipment and shipping, exhibit give-aways, printed materials and the exhibit booth fee to the promoter and your organization's labor costs.

Through sharing costs among communities and counties, new attractions or facilities you can make the investment affordable. However, the biggest advantage is that by sharing resources you increase the appeal of your product. A region is always more appealing than a single destination because there is more to offer.

Find out in advance exactly what is covered by the exhibit fee including tables and chairs, parking, electrical service to your booth, table skirting and booth carpeting, etc. Most consumer travel shows also include some promotional packages including advertising as well.

Helpful Hint: *Most consumer shows allow you to give away trips to your area, either at your own booth or as an official show prize. Veteran show exhibitors know nothing brings people to your booth like a contest or giveaway of some sort.*



What to Bring When You're Exhibiting

Most trade and consumer shows are set up with standard-sized booths, 10 feet wide. Make sure that you see a placement map prior to the show to make sure your booth isn't hidden from view or blocked by obstacles. Don't bring a 12 foot wide display to a 10 foot wide booth!

Ship your exhibit to the show using instructions supplied by the show promoter. You may have to pay an extra fee on top of the basic shipping charges to have your booth delivered from the loading dock to your specific booth on the floor.



A basic trade show display should include at least:

- A pop-up booth or other background piece
- A display of a single huge photograph, or multiple large photos
- A map showing your area relative to California
- Adequate lighting

- Brochures, visitors guides or other materials
- Give-aways
- Your business cards
- A decorated basket or box to collect contest entries or business cards (if applicable)

When you attend a show such as those of the NTA or ABA where *you* move from booth to booth, your material must go with you. In this instance, a flip chart portfolio displaying photos, lists, destination information and facility information will be most appropriate. Tour



operators want group rates, the lowest possible. They add on other costs such as food and attraction fees to hotel rates and try to put together the most inexpensive package possible. (They're tough negotiators!) Travel agents, however, are looking for rates that are *commissionable* (that pay them a commission for booking the hotel). The travel agent makes a

bigger commission on higher rates.